

How to Do Business In The Department of Defense Personal Property Program

MTMC PAM 55-4

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Introduction

Headquarters Military Traffic Management Command (MTMC), Alexandria, Virginia is responsible for the qualification of carriers for the Department of Defense (DOD) Personal Property Program. This "How to do Business in the Department of Defense Personal Property Program," MTMC Pamphlet 55-4, outlines the requirements and contains the procedures for qualifying to participate in the program.

Prior to applying to the program, we recommend that you read the Tender of Service (TOS), which is located in Appendix AZ of the Defense Transportation Regulation (DTR) Part IV, DOD 4500.9R. The TOS is the basic document which specifies the terms and conditions of participation in the program. The tender must be read carefully and thoroughly as it provides details concerning qualification procedures, mutual agreements and understandings, service and performance requirements, and certifications. The TOS is available via the web on the MTMC website, please see Appendix D for instructions on viewing the TOS.

Before approval can be granted, you must meet the requirements listed below in the section titled "Program Requirements," including electronic submission of applicable forms and documents. Approval permits carriers to offer transportation services in support of the program, but does not guarantee award of shipments; traffic distribution is based on the procedures outlined in DTR Chapter 402.

The following changes have been made to the qualification program. Carriers applying to the program must comply with each of these requirements:

- **Electronic Transportation Acquisition (ETA) Requirement** – Currently approved carriers and new entrants applying to the program must obtain a login and password to ETA in order to submit qualification documents to MTMC.
- **Certificate of Independent Pricing (CIP) Requirements** – Participating carriers must certify independent development and submission of rates.
- **Optional Reference Check** – MTMC can, as necessary, ask for and contact business references to verify that a carrier has met experience requirements.

Digital Identity Certificate Requirement The following change will be implemented October 2003. The Department of Defense (DoD) will require that all users of DoD systems use digital certificates as means of access to those DOD systems. Commercial users (the carrier, carrier's Surety Companies for the Performance Bond, Insurance Providers for the Cargo and Liability Insurance, and Accounting Firms for the submission of financials) will have to obtain a digital certificate from one of the External Certificate Authority vendors at a cost. At a minimum you must purchase the "identity" certificate. Some of the vendors offer "encryption" certificates for use with E-mail but that is not required for use with ETA. Currently, Digital Certificates are optional for carriers applying to the program until October 2003 when they will become mandatory. Commercial users will not be able to access any of the DOD systems without the Digital Certificate. Be aware that each ETA user-id may have only one unique certificate associated with it. You will be directed how to link your certificate to your ETA user-id (i.e.

carrier) on the ETA home page. MTMC recommends companies purchase and begin to use the new digital capability before it becomes mandatory in October 2003.

After you have read the instructions contained in this pamphlet, if you have any questions regarding your application to the DOD personal property program please feel free to contact the Personal Property Quality Operations and Performance team at ppqual@mtmc.army.mil. Please include your telephone number and a point of contact in your email.

2. Program Information

The DOD Personal Property Program consists of four main programs:

- **Domestic Personal Property Program** – Interstate and Intrastate shipments within CONUS
- **International Personal Property Program** – Shipments to/from CONUS/OCONUS as well as shipments between OCONUS destinations
- **Mobile Home Personal Property Program** – Movement of mobile homes within CONUS using One-Time-Only rates
- **Boat Personal Property Programs** – Movement of boats within CONUS by tow-away or commercial haul using One-Time-Only rates

Carriers applying to qualify for any of these programs must be approved prior to filing rates. Once qualified, a carrier's approval to participate in the program is valid unless the carrier fails to maintain other program requirements, e.g., those identified in the TOS, the international or domestic rate solicitations, or MTMC Pamphlet 55-4, etc.

3. Qualification Requirements

The qualification requirements listed below provide the detailed requirements for participation in the program. There are two categories of carriers that may apply to the program: new entrants and currently approved carriers. New entrants are those seeking initial entry into the program, i.e., those that are not currently approved for participation in the program. Currently approved carriers are those seeking approval to do business in an additional market, i.e., domestic interstate/intrastate, international household goods or international unaccompanied baggage.

A. Initial Entry Requirements

Each carrier seeking qualification must comply with the following requirements to be eligible to submit documents to MTMC for consideration in the program:

1. Standard Carrier Alpha Code (SCAC)

Carriers must obtain and maintain a valid four-digit alpha code from the National Motor Freight Traffic Association (NMFTA), 2200 Mill Road, Alexandria, Virginia 22314, at phone (703) 838-1831. The SCAC is required on all correspondence to the government

for identification purposes. NMFTA charges an annual fee to maintain SCACs. Failure to maintain a valid SCAC at all times will result in removal from the program.

2. Central Contractor Registration

All carriers doing business with DOD must be registered in the Central Contractor Registration (CCR) database. Consideration of carriers for future participation in MTMC procurements of transportation and transportation services, future solicitations, awards, and payments will be based on CCR registration. Carriers register only once, but must update information annually. The process time for CCR registration is approximately 72 hours (if registration is completed via the Internet). Carriers should register directly via the Internet at www.ccr.gov. Carriers may also obtain information via facsimile (23 pages) by calling (888) 227-2423. Registration by fax is not recommended, as it takes much longer to register. CCR customer service is available through the CCR Customer Service Center at (616) 961-4725 or (888) 227-2423 or (888) 352-9333, option # 3.

3. Electronic Transportation Acquisition Registration

All web forms that are submitted on-line will require authentication using MTMC's Electronic Transportation Acquisition (ETA) system. Carriers seeking qualification approval will need an ETA account. To request this account visit the ETA homepage located at www.mtmc.army.mil. Click on "ETA systems", click on "Register for the First Time", scroll down to Personal Property, check Personal Property Qualifications then select the appropriate role. The following roles are available for selection:

- MTMC Internal Review
- Carrier
- Insurance Company
- Surety Company
- Audit Agency
- Dept of Justice
- Military Claims Service

4. Digital Identity Certificate Verification

The Department of Defense (DoD) will require that all users of DoD systems use digital certificates as means of access to those systems. The estimated date for DOD to completely transition to the use of these certificates is October 2003. At that time, commercial users must obtain a digital certificate from one of the External Certificate Authority vendors at a cost. At a minimum you must purchase the "identity" certificate. Some of the vendors offer "encryption" certificates for use with E-mail but that is not required for use with ETA. Currently, Digital Certificates are optional until October 2003 when they will become mandatory. Commercial users will not be able to access any of the MTMC systems without the Digital Certificate. Be aware that each ETA user-id may have only one unique certificate associated with it. You will be directed how to link your certificate to your ETA user-id on the ETA home page.

The qualification process requires carriers and their: Surety Company, Insurance Company, and Certified Public Accountant, to use a digital identity certificate from one of the three vendors listed below:

- a. Operational Research Consultants (ORC), <http://eca.orc.com/>
- b. Digital Signature Trust (DST), <http://www.digsigtrust.com/federal/dod.html>
- c. Verisign, <http://www.verisign.com/enterprise/government/ieca-dod.html>

These three companies are the only ones currently approved to provide this capability to the DOD. A digital identity certificate is the digital equivalent of an ID card. For DoD military, civilians and authorized contractors, digital identity certificates will be located on a Common Access Card (CAC). For commercial users, it will be a file that resides on your PC. When you access a MTMC system, the system will check your PC for a digital identity certificate. If you have one, it will verify the user information and allow you to access the system(s) for which you have been approved. Using digital identity certificates provides a tighter security environment than user identifications and passwords.

5. Submission Requirements for Web Forms and Fax Documents:

The following *web forms* must be submitted via the web.

- a. Electronic Tender of Service Signature Sheet (ETOSSS) submitted by the carrier
- b. List of Countries and Codes of Service (LOCCS) submitted by the carrier
- c. Certificate of Cargo Liability Insurance (MTHQ Form 49-R) submitted by the carrier's insurer
- d. Performance Bond (for Domestic Interstate and/or International) submitted by the carrier's surety company.
- e. Certificate of Independent Pricing (CIP) submitted by the carrier
- f. Financial Data/Statements (Audited or Reviewed Financial Data/Statements) submitted by the carrier's Certified Public Accountant

The following *documents* must be submitted via FAX ONLY to the fax server at MTMC, Alexandria, Virginia at (703) 428-3321. Hard copy documents received via the mail and faxes not received at (703) 428-3321 will not be accepted.

- a. Proof of Federal and State Regulatory Compliance, which is a copy of the carrier's Operating Authority. Types of Operating Authority include:
 - 1.) Motor Carrier Certificate
 - 2.) Freight Forwarder Permit
 - 3.) State Permit
 - 4.) Articles of Incorporation
- b. Key Personnel Resumes or References (Only upon request by MTMC)

- c. Proof of Company Experience (Only upon request by MTMC).

6. Qualification Requirements for New Entrants

a. Financial Data/Statements and Financial Ratios

New entrants applying for initial approval must submit their most recent financial data that have been audited or reviewed by a Certified Public Account to MTMC at the time of application.

The financial statements must document the business operations of the single business entity or organization that seeks to qualify to do business with the DOD. Letters of guarantee from a parent company will not be accepted. For reporting purposes, a carrier may submit one document that reflects several companies separate financial information, as long as the financial information is reported in each individual company's name and reflects that company's account information. Each individual company must comply with desired ratio minimums, as detailed below. MTMC will not accept combined or consolidated reports where there is no separation from one company to another. In other words, MTMC wants to see the health of the individual companies. New companies must meet and maintain the required minimum ratios.

To qualify for participation in the program, carriers must have and maintain a Quick Ratio of 1:1 or better and a Debt to Equity ratio of 4:1 or less. Carriers must meet these requirements at the time of application and maintain acceptable ratios while participating in the DOD program.

The following definitions apply to the filing of financial data and statements. If there are questions on definitions, or how to best present financial data, carriers should consult their accountant.

1.) Quick Ratio (1:1): The quick ratio measures the ability of a business to meet current bills, and is defined as cash plus receivables divided by current liabilities. This is similar to current ratio with the exception that inventory and prepaids are subtracted from the total current assets prior to making the computation. Prepaid and inventory items are deleted prior to computing the ratio because they are not easily converted to cash to pay debts. Further, if a company needs to liquidate inventory or prepaids to pay bills, they are in liquidation process and not really a going concern. MTMC recognizes the industry's uniqueness in that many transportation related costs are incurred and paid by the carrier after the military shipment is picked-up from the member and prior to delivery or placement in Storage in Transit (SIT). This lag time causes a mismatch between revenues and expenses. If the expenses are included in the financial statements and identified separately as prepaid transportation expenses or unbilled receivables, MTMC will consider them in the Quick Ratio analysis.

2.) Debt to Equity Ratio (4:1): Debt to equity is total liabilities divided by the company's equity.

Instructions on how to view and complete the Financial Data web form are contained in Appendix A.

b. Certificate of Cargo Liability Insurance

For Domestic and International programs, the minimum cargo liability insurance coverage per shipment will be \$22,500. The aggregate amount will remain \$150,000. The Certificate of Cargo Liability Insurance form (MTHQ Form 49R) located on MTMC's website, must be submitted by the carrier's insurance representative. No other forms will be accepted. The certificates of cargo liability must be executed by an insurer with a rating of "A-" or better in the Best Key Rating Guide.

The MTHQ Form 49-R (certificate) contains a statement that the insurance company will give a 30-day written notice of any changes, expiration, or cancellations of the insurance policy. **The insurance company must submit the notice of cancellation by sending a fax to (703) 428-3321.** The 30-day notice period begins from the date the notification is actually received at HQMTMC. Deductibles are not permitted in the policy and are not a valid defense for claims filed by shipper, consignees, or the DOD.

Instructions on how to view and complete the Insurance Certificate web form are contained in Appendix A.

c. Performance Bonds

Performance Bonds are required in both the international and domestic interstate programs. The bond requirement does not apply to domestic intrastate Carriers.

For the international program the bond requirement is a minimum of \$100,000 or 2.5% of previous-year international DOD revenue, whichever is greater.

International carriers must have their surety company representative submit a "continuous until cancelled" bond. MTMC will review the international bond amount annually.

For the domestic interstate program the bond requirement is a minimum of \$50,000 or 2.5% of previous-year DOD domestic interstate revenue, whichever is greater.

Domestic interstate carriers currently participating in the program must have their surety company representative submit a "continuous until cancelled" bond. MTMC will review domestic bonds annually.

When MTMC determines that either the international or domestic bond needs to be increased, the carrier will be notified in writing and provided 30 days to submit a new bond or a rider to the current bond on file reflecting the updated amount.

Instructions on how to view and complete the Performance Bond web form are contained in Appendix A.

d. Electronic Tender of Service Signature Sheet Requirement (ETOSSS)

The President of the company must certify that the information in the ETOSSS application is true and correct. The President of the company also agrees to provide service as set forth in the TOS and applicable rate solicitation. The ETOSSS includes important ownership information. It also contains: a checklist that the carrier meets all minimum qualification requirements; an International and or Domestic **CFAC certification**; the type of service the carrier will be performing (Codes 1, 2, Mobile Home, Tow-a-way Boat, Commercial Boat, 3, 4, 5, 6, 7, 8, J, T); the Standard Carrier Alpha Code; the Basic Federal/State Permit Number, Carrier type (Freight Forwarder, Motor Carrier); Employer's IRS identification number; carrier's name; physical and mailing address, telephone numbers, email address; shareholder/partner information; officials authorized to submit electronic forms; **Key Personnel**; **Small Business Certification**; and the President's Certification Statement.

1.) Common Financial and/or Administrative Control (CFAC) is addressed in Part I of the ETOSSS. CFAC means the power, actual as well as legal, to influence the management, direction or functioning of a business organization. CFAC must be declared in accordance with the TOS. Carriers declaring Common Financial and/or administrative Control cannot compete in the same rate channel in the same code of service in the International Program. Domestic carriers must declare CFAC on the ETOSSS. While there is no restriction in the domestic program on carriers participating in the same lane of traffic or same code of service, they must declare CFAC. A carrier failing to disclose CFAC may be removed from the program for a period of up to two years and may be prosecuted for filing a false official statement in violation of 18 USC 1001.

2.) Key Personnel: Carriers must list each company official, CEO, CFO, President, Vice President, Treasurer, Secretary, Operations Manager, Dispatcher and Director. Carriers must continually have two (2) key personnel involved in the management of the company (excluding the Treasurer and Secretary) that have at least three (3) years of experience in the movement of personal property shipments. Experience from employment with an international freight forwarder, van line, or agent are some examples of acceptable forms of occupational training for purposes of meeting this requirement. MTMC reserves the right to request proof of the three-year personal property experience of the two key employees (i.e. a resume, references, etc.).

Instructions for submitting resumes, references etc., are contained in Appendix A.

3.) Small Business Certification: Carriers are required to self certify whether they are a Small Business entity. This information is used for statistical

purposes only.

Instructions on how to view and complete the ETOSSS web form are contained in Appendix A.

e. List of Countries and Codes of Service (LOCCS)

Carriers designate the countries, states, and codes of service wherein they wish to perform.

Instructions on how to view and complete the LOCCS web form are contained in Appendix A.

f. Company Experience Requirements

This requirement pertains to new entrants seeking initial approval. The company must have three years Government and/or commercial experience in the movement of personal property. MTMC will use the date on the operating authority (i.e., Motor Carrier Certificate, Freight Forwarder Permit, or State Permit if applicable), or if the state is deregulated, the date on the company's Articles of Incorporation for determining the company three-year experience requirement. MTMC reserves the right to request additional proof of three-year personal property experience, e.g., bills of lading, commercial invoices, etc., for proof of personal property movement.

Instructions on how to submit proof of company experience are contained in Appendix A.

g. Federal and State Regulatory Compliance

Carriers are required to comply with all applicable Federal, State and Local requirements for the movement and storage of personal property. Carriers will be required to annotate on the ETOSSS their Motor Carrier or Freight Forwarder number assigned by the Department of Transportation (DOT); and their applicable DOT number. MTMC will use the DOT's Licensing and Insurance System to verify a carrier's valid household goods operating authority. Carriers must provide a copy of the Freight Forwarder permit or Motor Carrier certificate if they are an interstate carrier. If you ONLY have intrastate authority you must submit a fax copy of your state permit, *if* that state is deregulated and no permit is issued, you must submit a fax copy of your Articles of Incorporation.

Instructions on how to submit proof of Federal and State Regulatory Compliance are contained in Appendix A.

h. Certificate of Independent Pricing

Carriers must certify that their submitted rates have been independently determined

and have not been prematurely revealed to competitors.

Instructions on how to submit the Certificate of Independent Pricing web form are contained in Appendix A.

i. Required Forms

To document compliance with the above qualification requirements, carriers seeking approval must submit the following forms and documents within the time frame specified for the open application period:

Web Forms

- 1.) Electronic Tender of Service Signature Sheet (ETOSSS)
 - 2.) List of Countries and Codes of Service (LOCCS)
 - 3.) Certificate of Cargo Liability Insurance (MTHQ Form 49-R)
 - 4.) Performance Bond (for Domestic Interstate and International)
 - 5.) Certificate of Independent Pricing
 - 6.) Audited or Reviewed Financial Statements
- * See Appendix A. A hotlink and instructions for completing these forms are in Appendix A.

Faxed Documents (Must be submitted via FAX ONLY to MTMC Alexandria, VA at (703) 428-3321. Hard copy documents received via the mail and faxes not received at (703) 428-3321 will not be accepted.):

- 1.) Proof of Federal and State Regulatory Compliance
 - (a) Copy of the Operating Authority
 - (-) Motor Carrier Certificate
 - (-) Freight Forwarder Permit
 - (-) State Permit
 - (-) Articles of Incorporation
- 2.) Key Personnel Resumes or References (Only upon request by MTMC)
- 3.) Proof of Company Experience (Only upon request by MTMC)

B. Additional Market Qualification Requirements

Currently approved carriers seeking approval to participate in additional markets during any open qualification period must meet the following requirements

1. Currently Approved DOD Interstate Domestic Carriers Seeking

Additional Intrastate Approval

Carrier must fax a letter to MTMC at (703) 428-3321, indicating they wish to expand their market to include intrastate approval and what additional codes of service. The letter must contain the company name, SCAC, date, and signature of an Officer of the company listed on the ETOSSS (CEO, CFO, President, or Vice President). The carrier must submit a new ETOSSS and LOCCS. MTMC may request the carrier fax a copy of the applicable operating authority (State Permit or Articles of Incorporation). However, this is only upon MTMC request.

2. Currently Approved DOD Intrastate Domestic Carriers Seeking

Additional Interstate Approval

Carrier must fax a letter to MTMC at (703) 428-3321, indicating they wish to expand their market to include Interstate approval and what additional codes of service. The letter must contain the company name, SCAC, date, and signature of an Officer of the company listed on the ETOSSS (CEO, CFO, President, or Vice President). Submit a new ETOSSS, and LOCCS. The carrier's Surety Company must submit a Performance Bond in the amount of \$50,000.00. MTMC may request the carrier fax a copy of the applicable operating authority (Freight Forwarder Permit or Motor Carrier Certificate). However, this is only upon MTMC request.

3. Currently Approved DOD Inter/Intrastate Domestic Carriers Seeking

Additional International Approval

carrier must fax a letter to MTMC at (703) 428-3321, indicating they wish to expand their market to include International approval and what additional codes of service. The letter must contain the company name, SCAC, date, and signature of an Officer of the company listed on the ETOSSS (CEO, CFO, President, or Vice President). Submit a new ETOSSS, and LOCCS. The carrier must have their insurance provider submit a new Certificate of Cargo Liability Insurance to reflect both international and domestic coverage. The carrier's Surety Company must submit a Performance Bond in the amount of \$100,000.00. MTMC may request the carrier fax a copy of the applicable operating authority (Freight Forwarder Permit or Motor Carrier Certificate). However, this is only upon MTMC request.

4. Currently Approved DOD International Carriers Seeking Additional

Inter/Intrastate Approval

Carrier must fax a letter to MTMC at (703) 428-3321, indicating they wish to expand their market to include Interstate and/or Intrastate approval and what additional codes of service. The letter must contain the company name, SCAC, date, and signature of an Officer of the company listed on the ETOSSS (CEO, CFO, President, or Vice President). Submit a new ETOSSS, and LOCCS. The carrier must have their insurance provider submit a new Certificate of Cargo Liability Insurance to reflect both international and

domestic coverage. The carrier's Surety Company must submit a Performance Bond in the amount of \$50,000.00 if the approval is for *interstate*. No performance bond is required for *intrastate* approval. MTMC may request the carrier fax a copy of the applicable operating authority (State Permit or Articles of Incorporation, OR, Freight Forwarder Permit or Motor Carrier Certificate). However, this is only upon MTMC request.

5. Currently Approved DOD Carriers Seeking Additional Boat or Mobile

Home Approval

Carrier must fax a letter to MTMC at (703) 428-3321, indicating they wish to expand their market to include Boat and/or Mobile Home approval. The letter must contain the company name, SCAC, date, and signature of an Officer of the company listed on the ETOSSS (CEO, CFO, President, or Vice President). Submit a new ETOSSS indicating Boat and/or Mobile Home service. The carrier must have their insurance provider submit a Certificate of Cargo Liability Insurance for Mobile Home/Boat. No performance bond is required for Mobile Home/boat approval.

The carriers are not required to submit new Financial Statements or new Certificates of Independent Pricing as part of their additional qualification package. Financial qualifications for all carriers are monitored based on annual financial statement submission as outlined in the section for "Notification Requirements." The Certificate of Independent Pricing submitted during initial qualification will apply to any additional qualification requests and to all rates filed in any and every area of service within the program.

Instructions for submission of each of these requirements are contained in Appendix A.

6. Required Forms

Carriers seeking approvals to participate in additional markets should submit the following forms based on the scenarios listed above, within the time frame given in the open enrollment period:

Web Forms

- (1) Electronic Tender of Service Signature Sheet (ETOSSS)
 - (2) List of Countries and Codes of Service (LOCCS)
 - (3) Certificate of Cargo Liability Insurance (MTHQ Form 49-R)
 - (4) Performance Bond (for Domestic Interstate and International)
- * See Appendix A. Instructions and a hotlink to these forms are in Appendix A.

Faxed Documents (Must be submitted via FAX ONLY to MTMC Alexandria, VA at (703) 428-3321. Hard copy documents received via the mail and faxes not received at (703) 428-3321 will not be accepted.):

- (1) Letter of request for the additional market and/or code of service approval
- (2) Proof of Federal and State Regulatory Compliance
 - (a) Copy of the Operating Authority (Only Upon MTMC Request)
 - (-) Motor Carrier Certificate
 - (-) Freight Forwarder Permit
 - (-) State Permit
 - (-) Articles of Incorporation

C. Notification Requirements

Carriers participating in the program must notify HQMTMC for the following reasons:

1. Changes in Required Carrier Information

Carriers are required to submit updated web forms or faxed documents as changes occur to the information contained in the documents previously provided for approval. It is the carrier's responsibility to submit updates to MTMC for each web form or faxed document as outlined in Appendix A.

2. Annual Financial Data/Statement Requirements

Carriers must have their Certified Public Accountant provide data from audited or reviewed financial statements annually. Data will be submitted via the web using the Financial Statement web form. Financial statements must be prepared according to generally accepted accounting principles using the accrual basis. MTMC retains the right to request a hard copy of the company's full financial statements. If requested the statements must include all referenced footnotes and the audit or review report.

Annual financial statements must be submitted within 120-calendar days of year-end, normally defined as December 31, 200X. Under this scenario, the financial statements would be submitted no later than May 1, 200X. If a company closes its books on a fiscal year basis (other than December 31, 200X), then financial statements should be submitted within 120 calendar days of that date. For example, a carrier currently participating in the program closing out their books October 31, 2002, would be required to submit the financial statements no later than March 1, 2003. Companies desiring to change their report dates must coordinate this with MTMC's Internal Review Office at (703) 428-3205.

If MTMC does not receive the annual financial statements within the 120-calendar day time frame, the company may be placed in nonuse due to non-compliance with program requirements. No *pro forma* statements will be accepted in lieu of actual financial statements. Additionally, MTMC reserves the right to obtain services from an independent third party source to conduct financial risk analysis of carrier's financials. This analysis will compare the company with appropriate industry norms. This information may be used to assist in the determination of financial risk to the government.

3. Change in Insurance Notification

The Certificate of Cargo Liability Insurance and Mobile Home/Boat Insurance both contain a statement that the insurance company will give HQMTMC, ATTN: MTPP-PP-Q, a 30-day fax notice [(703) 428-3321] of any changes, expiration, or cancellations of the insurance policy.

4. Annual Performance Bond Increases

When MTMC determines that either the international or domestic bond needs to be increased, the carrier will be notified in writing and provided 30 days to submit a new bond or a rider to the current bond on file reflecting the updated amount.

For the international program the bond requirement is a minimum of \$100,000 or 2.5% of previous-year international DOD revenue, whichever is greater. International carriers must have their surety company submit a “continuous until cancelled” bond. MTMC will review the international bond amount annually.

For the domestic interstate program the bond requirement is a minimum of \$50,000 or 2.5% of previous-year DOD domestic interstate revenue, whichever is greater. Domestic interstate carriers currently participating in the program must submit a “continuous until cancelled” bond. MTMC will review the international bond amount annually. MTMC will review domestic bonds annually.

5. Change of Ownership, Name, or Key Personnel Notification Requirements

All DOD approved carriers are required to notify MTMC within 45 calendar days of a change of ownership, a change of corporate name, or change of key personnel.

- ***Change of Ownership:*** When a company changes ownership, a novation agreement must be faxed to MTMC at (703) 428-3321. Approval will be based on a review of the sales agreement and evidence to show that the new carrier complies with all qualification requirements. The new asset owner (transferee) must assume all obligations of the transferor.

Appendix C contains the form for this notification.

- ***Change of Name:*** When a company changes its name, they must fax a change of name notification to MTMC at (703) 428-3321.

Appendix C contains the form for this notification.

- ***Change of Key Personnel:*** When a company changes key personnel they must submit an updated ETOSSS web form.

Instructions on how to view and complete the ETOSSS web form are contained in

D. Optional Item

1. Electronic Data Interchange (EDI)/Trading Partner Agreement (TPA)

While this is not a requirement, we would encourage you to participate in the EDI/TPA process. Government activities can use EDI in lieu of paper-based transactions. The EDI/TPA applies to the electronic exchange of transportation data and other transportation related information between DOD components and DOD Finance Centers for transportation services payment, and their trading partners.

E. Qualification Timeline

Carriers seeking initial qualification as well as previously qualified carriers seeking qualification in new markets must submit the required forms within the timeframe specified in the announcement of open enrollment. Upon MTMC's review of each submission, carriers not meeting the qualification requirements will have seven calendar days from the date of notification from MTMC, (which may come by telephone or email), to provide additional or corrected information. After the seven-day correction period has passed, the corrected documentation will not be considered and the carrier will not gain approval. However, HQMTMC may consider extenuating or mitigating circumstances showing that the carrier was not responsible for failing to meet the deadline, in order to prevent a manifest injustice. Carriers not approved may re-apply during the next open enrollment period.

Appendix A – Carrier Application Submission Instructions

Background:

The purpose of this appendix is to outline detailed application submission requirements. By submitting this application, you legally bind the company to the representations contained therein. In addition, by your application you agree to be bound by the rules and regulations stated in the Tender of Service and applicable rate solicitations. False representations and certifications constitute a violation of 18 U.S.C. 1001 and are punishable under law.

Refer to Paragraph 3, of the “How to do Business in the Department of Defense (DOD) Personal Property Program” for those documents that are required for each program (Interstate, Intrastate, or International). The Status Screen is the primary screen used in the PPQ Web system. It provides links to blank web forms (Document Types) required to be submitted by the carrier or on behalf of the carrier, and reflects the status of these submitted web forms. All forms must be submitted before the carrier’s request for approval will be reviewed and processed. The status screen shows the history each document associated with a carrier. To aid in the review process of the web forms prior to submission, edits have been applied to the web forms to identify incorrect/incomplete entries. The submitter will receive immediate pop-up screen message stating the error that must be corrected before the form can be submitted.

Upon MTMC’s review of each submission, carriers not meeting the qualification requirements will have seven calendar days from the date of notification from MTMC, (which may come by telephone or email), to provide additional or corrected information. After the seven-day correction period has passed, the corrected documentation will not be considered and the carrier will not gain approval. However, HQMTMC may consider extenuating or mitigating circumstances showing that the carrier was not responsible for failing to meet the deadline. Carriers not approved may re-apply during the next open enrollment period. Hard copy documents received via mail, and faxes not received at (703) 428-3321 will not be accepted. Carriers should have capability to access the Internet, but we do not mandate this requirement. A carrier may elect to use a third party vendor to submit documentation, but the carrier assumes all responsibility for all documents arriving within the established time-frame.

Electronic Transportation Acquisition (ETA)

Each carrier is required to obtain an ETA account in order to access the PPQ Web to submit applicable web forms. To request this account visit the ETA homepage located at www.mtmc.army.mil. Click on “ETA systems,” click on “Register for the First Time,” scroll down to Personal Property, select PPQ Web (Personal Property Qualifications). Next select your role from the drop down menu list of roles for the PPQ Web system. The following roles are available for selection:

- MTMC Internal Review
- Transportation Provider (Carriers)
- Insurance Company
- Surety Company
- Audit Agency (Certified Public Accountants)
- Dept of Justice
- Military Claims Service

A role determines the applications within a system that you will be allowed to use. You may only choose one role per system. Click the "Generate Request Form" button at the bottom after you've selected PPQWeb and your role. When you click the "Generate Request Form" button, an entry screen will prompt you to enter your information. Please note that fields containing an asterisk are required fields for registration. Also, the accuracy of your email address is extremely important for the registration process. All the roles listed above will need their own separate ETA account.

Upon completing and submitting your ETA registration information, you will be sent an email confirming your request. This email will contain your Request ID (which will become your ETA user ID upon approval). If you do not receive your confirmation email within 24 hours (usually it comes much sooner), please contact by email ppqweb@mtmc.army.mil the administrator of Personal Property Qualifications. Please include your Request ID/User ID in all correspondence with ETA administrators. Within 5-7 business days you should receive notification of approval (and a password) or a denial. You must obtain this password before you can continue to apply for approval.

The Department of Defense (DoD) will require that all users of DoD systems use digital certificates as means of access to those systems. The estimated date for complete transition is October 2003. At that time, commercial users will have to obtain a digital certificate from one of the External Certificate Authority vendors at a cost. You must purchase the "identity" certificate at a minimum. Some of the vendors offer "encryption" certificates for use with E-mail but this is not required for use with ETA. Currently, Digital Certificates are optional until October 2003, when they will become mandatory. Commercial users will not be able to access any of the DOD MTMC systems without the Digital Certificate beginning October 2003. Be aware that each ETA user-id (carrier, surety, etc.) may have only one unique certificate associated with it. You will be directed how to link your certificate to your ETA user-id on the ETA home page.

PPQ Web Application

The PPQ Web application is a web-based system that tracks documents pertinent to the carrier qualification process for both domestic and international carriers. This system allows carriers or their representatives (Certified Public Accountants, Surety representatives or Insurance company representatives) to fill out the necessary qualification forms through web pages and provides real time edit checks on formatting, thus allowing problems with their forms to be corrected before submission. This prevents wasted time and effort in having the forms manually reviewed and problems reported back later. The submitted information is stored at MTMC in the PPQ Web database tables. All of the web submitted forms are user authenticated. The following forms

must be submitted using the web forms provided:

1. Electronic Tender Of Service Signature Sheet (ETOSSS)
2. List of Countries/States and Codes of Service (LOCCS)
3. Certificate of Cargo Liability Insurance
4. Performance Bond
5. Certificate of Independent Pricing (CIP)
6. Financial Data/Statement

In addition to web forms, the following non-web forms may be required as part of the carrier's application. These forms *must* be submitted via FAX ONLY to the fax server at MTMC Alexandria, Virginia at (703) 428-3321. Faxes not received at (703) 428-3321 will not be accepted. **Hard copy documents (mail, fax, etc.) will not be accepted.** Carriers must submit the following when applicable:

1. If you are applying for Interstate and/or International approval you must provide a Freight Forwarder permit or Motor Carrier certificate.
2. If you are only applying for Intrastate carrier approval you must provide a state permit. If that state is deregulated and no permit is issued, you must submit Articles of Incorporation.
3. Key Personnel Resumes or References will be faxed to MTMC only upon request.
4. Proof of Company Experience will be faxed to MTMC only upon request.

Refer to Paragraph 3 of the "How to do Business in the Department of Defense (DOD) Personal Property Program" for the documents that are required for new entrants and for carriers applying for additional markets (Interstate, Intrastate, or International).

Status Screen

The Status Screen is the primary screen used in the PPQ Web system. The screen reflects administrative information and four status sections. Each section contains documents with a common status.

Approved Documents: After processing by MTMC, all approved web-based documents will be displayed here with document type, dates of submission and dates of acceptance. The carrier under this section may make edits. Once the edits are completed and submitted a new document will be displayed in the Pending Section with a new date of submission.

Pending Documents: These are web-based documents listed by document type and dates of submission that have been submitted and are waiting to be reviewed by MTMC. The carrier under this section may make edits. The edited document will appear again in this section with a new date of submission. If a warning comes up in this section, click the warning to view the warning message.

Rejected Documents: After processing by MTMC, all rejected web-based documents will be displayed here with document type, dates of submission and dates of rejection. The

carrier under this section may make edits. The edited document will appear again in the Pending Section with a new date of submission.

Remaining Required Documents (Does not include documents required to be faxed in to HQMTMC): These are web-based documents that the carrier must submit before MTMC will review and process the carrier's qualification package. Do not forget that there are faxed in document requirements that must be met, in addition to the submission of these web-based documents.

For new entrants, all other sections will contain no documents, and the "Remaining Required Documents" section will contain all of the documents listed above. As documents are submitted, they will move from the "Remaining Section" into the "Pending Section". After processing by MTMC, the documents will appear in the "Approved Documents" or "Rejected Documents" section.

Note that the status screen allows previously submitted documents to be viewed at any time, so printing the documents prior to submission is no longer required.

In the future we will add a link to the Status Screen

Form Completion:

The approval forms are the same for both programs with exception of the performance bond that is required in the Domestic Interstate program and the International program. Also, minimums and amounts may differ (please refer to Qualification Requirements located in Paragraph 3 of this book for details). To complete the forms, simply click on each form link located in the "Remaining Required Documents" of the Status Screen. Complete each form and then hit "Submit". More detail for each form is provided in the Detailed Form Instructions below.

Please note that every field on every form MUST have an entry. If the data requested does not apply, type "N/A" or "NONE".

Detailed Form Instructions:

The following will lay out detailed instructions for completing each individual form that a carrier or his authorized representative, working on his behalf, must complete before the carrier may be considered for qualification by MTMC.

Electronic Tender of Service Signature Sheet (ETOSSS)

The carrier must certify that they meet the specific Carrier Qualification Requirement indicated on the top of the page and by reading and checking/selecting the appropriate statements; otherwise, approval will not be granted.

PART I - CERTIFICATION

Please select Yes or No on the Common Financial and/or Administrative Control (CFAC) Certification questions in reference to being in CFAC with another Department of Defense approved household goods carrier or forwarder. You must list the standard carrier alpha code (SCAC) of each of the carriers followed by a semicolon. For a description of CFAC, see the Tender of Service in the Defense Transportation Regulation (DTR), Appendix AZ, paragraph A.2.c., on pages AZ-1-2.

NOTE: To list CFAC relationships, you must follow each SCAC with a semicolon and no spaces.

PART II - TYPE OF SERVICE

- Indicate the type of service you wish to provide in (Interstate, Intrastate, and/or International).
- Annotate if you are a Freight Forwarder (FF), Motor Carrier (MC), and/or Broker (B) for each type of service. However, please be aware that MTMC does not do business with Brokers in the Personal Property program unless they also have Motor Carrier or Freight Forwarder authority. If you are an Intrastate carrier and your state is deregulated and no “permit” is issued, check MC or FF and annotate your Articles of Incorporation number in the MC or FF Number block.
- Specify the FF or MC permit number indicated on your authority. If you are only an Intrastate carrier, and your state is deregulated you must enter the Articles of Incorporation Number.
- Respond YES or NO in every box for the codes of service.

PART III - CARRIER PROCESSING DATA

- Standard Carrier Alpha Code (SCAC) block - Carriers and Regulated Freight Forwarders must have a four-letter alpha code (SCAC) as annotated in this block. If you do not have a SCAC, you may obtain it from the National Motor Freight Traffic Association by calling (703) 838-1831. A fee is required initially and annually.
- Employer's Internal Revenue Service Identification Number block - (self-explanatory).
- Name of Carrier block - This block must match the company name annotated on your State and/or ICC, FHA operating authority(ies). If there is a “Doing Business As” company name, please annotate the complete company name on all forms.
- Department of Transportation (DOT) number. (self-explanatory).
- Physical Street Address block - Enter a street address including City, State and Zip Code.
- Mailing Address block - Enter Post Office box address (if applicable), including City, State and Zip Code.
- Telephone Numbers, Fax Number, Toll Free Number and Central Email Address block - (self-explanatory).

PART IV - SCAC/AND/OR CARRIER NAME CHANGE

Indicate if the SCAC specified on the form is a change from a previous SCAC. If so, specify the original SCAC and carrier name.

PART V – INDIVIDUAL SHAREHOLDER(S) OR PARTNER(S) INFORMATION

Enter the names of all shareholders involved in the company and their respective percentage of shares OR enter the names of all partners and their respective outstanding capital stock/partnership interest in the company.

PART VI - OFFICIAL(s) AUTHORIZED TO SUBMIT ELECTRONIC FORMS

Review all of the form types, A-E, and check mark the types of forms each official has the authority to submit on behalf of the company. Enter the name of the officer and his title. Each letter represents a specific form. If each official is authorized to submit all documents, you may check (E) ALL box. If you participate in the intrastate program, please be sure that an official can sign for (D) Manual Rate Tenders, or we will not be able to accept manual rate tenders submitted by your company. When filling out Key Personnel, follow instructions provided on the ETOSSS form.

PART VII - SMALL BUSINESS CERTIFICATION

Click the Small Business link to review criteria to be considered a Small Business entity. If you are a Small Business select "Yes" in the box provided; if not select "No".

PART VIII - PRESIDENT'S CERTIFICATION

Self-Explanatory - This field is automatically populated from the President's Name field from above.

List of Countries/States And Codes of Service Form (LOCCS)

Please check the appropriate Domestic and/or International program(s) at the top of the page.

The list of Countries/States and Codes of Service are divided into two sections and three parts. The first section addresses which Domestic program and what Domestic codes of service your company would like authorization to perform. The second section addresses the International program and what International codes of service your company would like authorization to perform..

All applicants must complete and submit the List of Countries/States and Codes of Service form. Please check EACH box that applies to your level of service for EACH area.

Certificate of Independent Pricing (CIP)

After reading paragraphs A and B of the form, select radio button 1 or 2 in paragraph C, which will fill in the appropriate blanks. Fill in your Name, Title and Organization. The names listed here must be also listed on the ETOSSS.

Certificate of Cargo Liability Insurance (49R)

Insurance companies, please complete appropriate parts of form based on carrier's request. Refer to Paragraph 3, Qualification Requirements of the "How to do Business in the Department of Defense (DOD) Personal Property Program. The form is continuous until cancelled by the insurance company or carrier.

Performance Bond

Surety companies, please complete appropriate parts of form for International and/or Domestic Interstate service. Refer to Paragraph 3, Qualification Requirements of the "How to do Business in the Department of Defense (DOD) Personal Property Program" for the applicable minimums required. Please complete the appropriate parts of this form based on the carrier's request. The form is continuous until cancelled by the surety company.

Financial Data/Statement

Part I – CERTIFICATION

Annotate whether the data/statement is reviewed or audited. Annotate the Quick Ratio and the Debt to Equity Ratio.

Part II – ACCOUNTANT INFORMATION

Self-explanatory.

Part III – BALANCE SHEET

Self-explanatory.

Questions: If you have any questions, please feel free to contact the Personal Property Quality Operations and Performance team at ppqual@mtmc.army.mil. Please include your telephone number and point of contact in your email.

Appendix B - Definitions

The Department of Defense Personal Property Program contains terminology and acronyms, which are unique to the program. The following definitions are provided to give you a basic understanding of the terms used:

Agent, Carrier's: A business firm, corporation, or individual acting for or on behalf of a carrier. A bona fide agent of a personal property carrier, as distinguished from a broker, is a person who or a business enterprise which represents and acts for a motor carrier or freight forwarder and performs its duties under the direction of the carrier pursuant to a pre-existing agreement with the carrier, providing for a continuing relationship between them.

- a. **Booking Agent:** An agent designated on the Letter of Intent (LOI) by a carrier as the single point of contact to act in its behalf.
- b. **General Agent:** A general agent is a business entity employed as a carrier's representative in a country or specified geographic area. A general agent cannot act as a booking agent unless so designated on the carrier's LOI. The carrier, not the general agent is responsible for all payments, rating filings and control of shipments.

Area of Responsibility (AOR): A defined geographic area in which responsibility is specifically assigned to the commander of the area for development and maintenance of installations, control of movement, the conduct of tactical operations involving troops under the commander's control, along with parallel authority to exercise these functions; and /or acquisition of transportation, storage and related personal property movement services.

Boat One Time Only (BOTO): Boat rates solicited by HQ MTMC from individual carriers for the one-time movement over a specific origin-destination channel for which rates are not otherwise published.

Cargo Liability Insurance (MTHQ Form 49-R): Insurance required by a carrier to cover compensation for loss and/or damage to all property belonging to shippers or consignees and coming into the possession of the carrier in connection with its transportation service performed for the account of the Department of Defense, regardless of whether the motor vehicles, terminals, warehouses, and other facilities used in connection with the transportation of such property are specifically described in the policy or not.

Carrier: Any individual, company, or corporation commercially engaged in transporting cargo, passengers, or household goods. A business entity that holds appropriate state or federal permits or certificates for the movement of personal property and/or mobile homes.

Carriers are further defined in the International Through Government Bill of lading (ITGBL) programs as follows:

- a. **Primary Carrier:** The carrier who establishes the low rate for an incentive traffic channel

during the traffic distribution period is the primary carrier. A primary carrier is also referred to as a rate setter.

b. Equalization Carrier: Any carrier meeting the low rate for an incentive traffic channel becomes an equalization carrier. Equalization carriers share the remaining traffic not tendered to the primary carrier

c. Other Participating Carrier: A carrier that neither sets nor equalizes the low rate but instead files a higher rate is a participating carrier.

Carrier, DOD-Approved: A carrier that has met the established requirements and has received an official notice of approval to participate in the DOD Personal Property Program from the Military Traffic Management Command (MTMC).

Certificate of Independent Pricing: This form is for the purpose of stating that the rates have been arrived at independently and, except as described in paragraph B of the form, and there has been no communication, agreement, understanding, collusion, or any other action with respect to the rates with any Carrier, competitor or agent thereof.

Codes of Service: The following are definable types of service under the Through Government Bill Lading (TGBL) method:

Code 1 - Domestic Motor Van – Movement of household goods in a motor van from origin residence in CONUS to destination residence in CONUS. Automated systems will use Code 1A for interstate movements and Code 1B for intrastate movements.

Code 2 – Domestic Container – Movement of household goods in containers from origin residence in CONUS to destination residence in CONUS. Automated systems will use Code 2A for interstate movements and Code 2B for intrastate movements.

Code 3 – International Door-to-Door Container – Movement of household goods in containers using MSC negotiated rates to commercial port of discharge.

Code 4 – International Door-to-Door Container – Movement of household goods in MTMC-approved door-to-door shipping containers (wooden boxes) whereby a carrier provides linehaul service from origin residence to ocean terminal, ocean transportation to port of discharge, and linehaul service to destination residence, all without re-handling of container contents.

Code 5 – International Door-to-Door Container Government Ocean Transportation – Movement of household goods in MTMC-approved door-to-door shipping containers (wooden boxes) whereby a carrier provides linehaul service from origin residence to military ocean terminal, the government provides ocean (MSC) transportation to designated port of discharge, and the carrier provides linehaul service to destination residence, all without re-handling of container contents.

Code 6 – International Door-to-Door Air Container – Movement of household goods whereby the carrier provides containerization at the origin residence, surface transportation

to the airport nearest origin that can provide required services, air transportation to the airport nearest destination that can provide required services, and transportation to the destination residence.

Code 7 – International Land-Water-Land Baggage – Movement of unaccompanied baggage whereby the carrier provides packing and pickup at origin, surface transportation to destination, and cutting of the banding and opening of the boxes at the destination residence.

Code 8 – International Land-Air-Land Baggage – Movement of unaccompanied baggage whereby the carrier provides packing and pickup at origin, transportation to the origin airport, air transportation to the destination airport, surface transportation to destination, and cutting of the banding and opening of the boxes at the destination residence.

Code T – International Door-to-Door Container - AMC - Movement of household goods whereby the carrier provides containerization at the origin residence and transportation to the designated AMC terminal. AMC provides terminal services at both origin and destination and air transportation to the designated AMC destination terminal. The carrier provides transportation to the destination residence.

Code J – International Land-Air (AMC)-Land Baggage – Movement of unaccompanied baggage whereby the carrier provides packing and pickup at the origin and transportation to the designated AMC terminal. AMC provides terminal services at both origin and destination and air transportation to the designated AMC destination terminal. The carrier provides transportation to destination from AMC terminal and cutting of the banding and opening of the boxes at the destination residence.

Common Financial and/or Administrative Control (CFAC):

The term “common financial and/or administrative control” means the power, actual as well as legal, to influence the management, direction, or functioning of any other carrier(s) or forwarder(s). Circumstances surrounding organization or operation, which may, but do not always result in a common financial and/or administrative control relationship include the following:

1. Majority or Minority Ownership
2. Familial Relationships
3. Voting Securities
4. Common Director, Officers, and/or Stockholders
5. Voting or Holding Trusts
6. Associated Companies
7. Contract or Debt Relationships

Continental United States (CONUS): All 48 contiguous states, and the District of Columbia.

Digital (Identity) Certificate: A digital identity certificate is the digital equivalent of an ID card. Using digital identity certificates provides a tighter security environment.

Domestic Boat Program: Movement of privately owned boats, belonging to DOD military personnel only. Definition of boats is included in JFTR, Para. U5310F. For the movement of self-propelled boats see JFTR, Para U5510. For movement of boats used as a primary residence, see JFTR, Para U5500, JTR Para C10000, and procedures in 407 of Defense Transportation Regulation (DOD 4500.9R) Part IV Personal Property.

Electronic Data Interchange (EDI): The computer to computer exchange of business data using standards jointly developed by standards groups such as American National Standards Institute (ANSI) or Electronic Data Interchange Agency.

ETA: Electronic Transportation Acquisition is a system that provides a single point of entry to the transportation community through the use of the Worldwide Web. The Military Traffic Management Command (MTMC) ETA system provides access to MTMC transportation systems as well as links to other transportation sites. The ETA system is divided into four major transportation categories: Freight/Cargo, Passenger, Personal Property, and General Services.

ETOSSS: The Electronic Tender of Service Signature Sheet; completion of this form certifies that you have read the Tender of Service (Appendix AZ), and agree to provide service in accordance with the provisions contained therein. The carrier is responsible for submitting a new ETOSSS when changes occur concerning one or more of the following: company name, address, telephone number, e-mail address, company officers, etc.

Financial Statements: The presentation of financial data, including accompanying notes derived from accounting records and intended to communicate an entity's economic resources or obligations at a point in time, or the changes therein for a period of time, in accordance with a comprehensive basis of accounting.

Installation: A post, camp, station, air base, naval base, yard, base complex, or port.

Interstate Shipment: Any personal property, boat, or mobile home shipment originating in a state or the District of Columbia and destined for another state or the District of Columbia.

Intertheater Traffic: Traffic between theaters exclusive of that between the continental US and Theaters.

Intrastate shipment: Any personal property, boat, or mobile home shipment originating in a state destined for the same state.

Joint Personal Property Shipping Office (JPPSO): A JPPSO is an activity staffed and operated by members from two or more military services, in support of all military service components for acquisition of transportation, storage, and related services within a specified area for responsibility for movement of personal property for DOD members. Support is provided on a common service, non-reimbursable basis.

Key Personnel: Two managing officers of a company (excluding Treasurer and Secretary) that

must have at least (3) three years Personal Property experience.

LOCCS: The List of Countries/States and Codes of Service: The web form that lists countries/states and codes of service to which carriers applying for approval to service.

Mobile Home: A mobile dwelling constructed or converted and intended for use as a permanent residence and designed to be moved, either self-propelled or towed.

Mobile Home One Time Only (MOTO): Mobile Home rates solicited by HQ MTMC from individual carriers for the one-time movement over a specific origin-destination channel for which rates are not otherwise published.

One-Time-Only (OTO) Rates: Rates solicited by HQ MTMC from individual carriers for the one-time movement of personal property over a specific origin-destination channel for which rates are not otherwise published.

Operating Authority: An authorization issued by the appropriate regulatory body for a commercial carrier to perform transportation service, sometimes within specific limitations.

Performance Bond: This performance bond serves to protect the Government in the event the carrier to whom the actual bill of lading contract is issued fails to effect delivery of the shipment set forth on the bill of lading. By this performance bond, the Surety(ies) underwrites and assumes the Principal's liability to the Government for: over charges; related administrative costs; and procurement costs when due to the Principal's failure to complete delivery of a shipment, the Military Traffic Management Command deems it necessary to procure transportation services from an alternate carrier. The Government shall be the sole beneficiary of this bond in the event the Principal defaults and is unable to perform for whatever reason, including that of filing a petition in bankruptcy, or an involuntary bankruptcy. To obtain and maintain DOD approval in the Personal Property Program, carriers must provide a performance bond.

Personal Property Shipping Office (PPSO): An activity designed to provide traffic management, counseling and application processing within a designated area of responsibility, which includes acquisition of transportation, storage and related services.

References: The carrier must submit employee experience and company experience references upon request from MTMC. Experience from employment with an international freight forwarder, van line or agent is considered an acceptance form of occupational training for purposes of meeting this requirement. Company experience can be measured by either copies of Government Bills of Ladings, invoices etc.

Small Business Certification: Criteria for eligibility as a small business for the purpose of transportation service acquisition. Self-certification is required on the ETOSSS to determine whether a company is a small business. This information is used for statistical purposes only.

Standard Carrier Alpha Code (SCAC): A four-digit alpha code that is assigned to each

carrier by the National Motor Freight Traffic Association to identify that carrier in the various procedures and documents used in the DOD personal Property Shipment and Storage Program.

Tender of Service (TOS): The basic document which specifies the terms and conditions of participation in the DOD personal property program. The Household Goods and Unaccompanied Baggage Tender of Service is provided in Appendix AZ to the DTR, PART IV. Retain a copy for your records and future reference. The applicable tender must be read carefully and thoroughly, as it provides details concerning qualification procedures, mutual agreements and understandings, service and performance requirements, and certifications.

Trading Partner Agreement (TPA): The binding agreement setting forth terms and conditions governing the sending or receiving of electronic data sent between DOD transportation components and commercial trading partners.

Transportation Officer (TO): Person(s) designated or appointed to perform traffic management functions.

Trip Leasing: The primary carrier and leasor will be fully responsible for the shipment (including all loss and damage claims, and but not limited to any missed pickups and missed required delivery dates (RDDs). Under this rule, HHG carriers will only be allowed to trip lease with other DOD approved household goods carriers. Regulation and rules governing trip leasing, as set forth by the Federal Highway Administration in the 49 CFR part 376 will apply. Failure to comply with the regulatory requirements will result in nonuse or revocation of your DOD household goods/unaccompanied baggage approval.

United States Armed Forces: Used to denote collectively only the regular components of the Army, Navy, Air Force, Marines Corps, and Coast Guard.

Appendix C – Additional Forms

CHANGE OF OWNERSHIP NOVATION AGREEMENT

Notice is hereby given that ownership of (enter carrier's Name)(enter Standard Carrier Alpha Code), a DOD-approved personal property carrier, has changed as a result of sale/transfer effective (enter date). A copy of the document transferring ownership is enclosed. As an authorized official of the new owner, I certify that new owner has:

- a. Enclosed a true and correct copy of the sales agreement (or other transfer document). (Some information may have been redacted to protect sensitive information.)
- b. Acquired certain assets of the carrier and is performing the GBL-based transportation and related service contracts by virtue of the above transfer.
- c. Assumed all the obligations and liabilities of the carrier as to contracts previously performed or tendered.
- d. The capability to perform all obligations that exist under current GBL-based contracts and those that may be tendered in the future.
- e. Ratified all previous actions taken by the prior owner with respect to GBL-based contracts, with the same force and effect as if the new owner had taken the action.
- f. Agreed to be bound by the terms and conditions applicable to carriers participating in the DOD Personal Property Program.
- g. Maintained compliance with carrier qualification requirements to include performance bond, cargo loss and damage insurance, operating authority and financial status as is evidenced by attached bond, insurance certificate and certified financial statement.

CARRIER CERTIFICATION

I certify that I am the (Corporate Officer's Title—individual must be listed on the Electronic Tender of Service Signature Sheet) of (Carrier's Name (SCAC)) and that I am authorized to represent (Carrier's Name). I further certify that statements and documents submitted herewith are true and correct.

Witness my hand and seal this ____ day of _____ 20__.

BY: _____ (SEAL)
Signature Block

REVIEW AND ACCEPTANCE BY MILITARY TRAFFIC MANAGEMENT COMMAND

I, _____, (Chief, Personal Property Program Branch), have reviewed the above certifications and supporting documents and find that (enter Carrier's Name) remains in compliance with the carrier qualification program and is authorized to continue participation in the DOD Personal Property Program. All payments and reimbursements previously made by the

Government to the previous owner under GBL-based contracts shall be considered to have discharged the Government's obligations under those contracts. All payments and reimbursements made by the Government after the date of this Agreement in the name of or to the previous owner shall have the same force and effect as if made to the new owner and shall constitute a complete discharge of the Government's obligations under the contracts, to the extent of the amount paid or reimbursed.

Military Traffic Management Command,

By _____
Title _____
Date _____

CHANGE OF COMPANY NAME NOTIFICATION

Notice is hereby given that (enter Carrier's Name) (enter SCAC), a DOD-approved personal property carrier has, by amendment to its certificate of incorporation, changed its corporate name to (New Carrier Name) effective (enter date).

This amendment accomplishes a change of corporate name only and all rights and obligations of the Carrier and of the Government under the International/ Domestic DOD Personal Property Program are unaffected by this change.

As an authorized official of the Carrier (individual must be listed on the Electronic Tender of Service Signature Sheet), I certify that:

- a. Documentary evidence of the change of corporate name is attached.
- b. The change of corporate name was properly effected under applicable law.
- c. The carrier continues to comply with carrier qualification requirements to include performance bond, cargo loss and damage insurance, operating authority and financial status as is evidenced by attached bond, insurance certificate and certified financial statement submitted in the carrier's new name.
- d. The continued use of the carrier SCAC is authorized by The National Motor Freight Traffic Association.

CARRIER CERTIFICATION

I certify that I am the (Corporate Officer's Title, must be listed on the Electronic Tender of Service Signature Sheet) of (Carrier's Name (SCAC)) and that I am authorized to represent (Carrier's Name). I further certify that statements and documents submitted herewith are true and correct. .

Witness my hand and seal this ____ day of _____ 20__.

BY: _____ (SEAL)
Signature Block

REVIEW AND ACCEPTANCE BY MILITARY TRAFFIC MANGEMENT COMMAND

I, _____, (Chief, Personal Property Program Branch), have reviewed the above certifications and supporting documents and find that (Carrier's Name) has been changed to (Carrier's New Name). I further find that (Carrier's Name) remains in compliance with the carrier qualification program and is authorized to continue participation in the DOD Personal Property Program under its new corporate name. All documents and records on file will be changed to reflect the change of corporate name. GBL-based contracts, rates, payments and other actions made in the name of (Carrier's Name) will be considered to be made in the new corporate name.

Military Traffic Management Command,

By _____
Title _____
Date _____

Appendix D – Recommended Publications and Hot Links

- Defense Transportation Regulation (Part IV) Personal Property
<http://public.transcom.mil/J4/j4lt/dtr.html>
- Letter of Intent (LOI) Personal Property and Unaccompanied Baggage
http://public.transcom.mil/J4/j4lt/appendix_ay-bd.pdf
- Tender of Service
http://public.transcom.mil/J4/j4lt/appendix_ay-bd.pdf
- Total Quality Assurance Program (TQAP)
http://public.transcom.mil/J4/j4lt/appendix_bk-bo.pdf
- Pre-award Survey Guidelines
http://public.transcom.mil/J4/j4lt/appendix_ay-bd.pdf
- Multi-Service Publications for DOD Personal Property Shipment and Storage Program
http://public.transcom.mil/J4/j4lt/appendix_bf-bj.pdf
- Transit Times for Domestic Household Goods Shipments Including Alaska
http://public.transcom.mil/J4/j4lt/appendix_bf-bj.pdf
- Transit Times for International and DPM Household Goods and Unaccompanied Baggage Shipments between CONUS and Overseas
http://public.transcom.mil/J4/j4lt/appendix_bk-bo.pdf
- International Personal Property Rate Solicitation
<http://www.mtmc.army.mil/frontDoor/0,1383,OID=4--24-127--127,00.html>
- Domestic Personal Property Rate Solicitation
<http://www.mtmc.army.mil/frontDoor/0,1383,OID=4--23-114--114,00.html>
- Personal Property Consignment Instruction Guide
 - Domestic http://pweb.eta.mtmc.army.mil/pls/ppcig_camp/state_lookup
 - International http://pweb.eta.mtmc.army.mil/pls/ppcig_camp/country_listing
- Department of the Treasury (Circular no. 570)
<http://www.fms.treas.gov/c570/c570.html>

Appendix E – ETA Access Approval Procedures for Industry Participants

Industry Participant Roles:

1. New Carriers/Freight Forwarders

Access Plan: The President or CEO of the new company must request an ETA password and login to the ETA system. Upon request for a login/password to the PPQ Web system via ETA, the President or CEO of the company will be contacted by a MTMC administrator for verification, prior to issuance of the ETA login and password. Upon being contacted by a MTMC administrator, the President/CEO will be requested to email to ppqual@mtmc.army.mil, the following:

- An alternate to the President/CEO that may access ETA on behalf of the carrier (if desired, an alternate is not mandatory).
- Certified Public Accountant company's name, and name/telephone number of the company that will submit financial reports and needs access approval to ETA.

The subject line of the email shall include the carrier's SCAC and Company name. For example: XXXX - Xavier Transportation, Inc.

The MTMC administrator shall only grant approval for the company alternate. The surety and insurance company will be validated against those companies appearing in the U.S. Treasury Circular 570 and the A.M. Best Guide, respectively.

2. Currently Approved Carriers/Freight Forwarders

Access Plan: The President or CEO of the company must request an ETA password and login to the ETA system. Upon request for a login/password to the PPQ Web system via ETA, the MTMC administrator will cross reference the President/CEO's name and the Company Name to the list of approved Carriers prior to issuance of the ETA login and password. If the Carrier (Company Name) and President/CEO name submitted via ETA does not match MTMC's list of currently approved carriers, access to the system will NOT be granted.

The MTMC administrator shall grant approval under the same guidelines as in paragraph 1 above.